

## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY **REGION IX** 75 Hawthorne Street

San Francisco, CA 94105-3901

JUL 1 1 2018

CERTIFIED MAIL: 7016 1370 0000 0749 0401 RETURN RECEIPT REQUESTED

Mr. Alec Uyeno, President Jamo Performance Exhaust LLC 2710 Losee Road, Suite 8 North Las Vegas, NV 89030

Re: Notice of Violation of the Clean Air Act

Dear Mr. Uyeno:

The United States Environmental Protection Agency ("EPA") has investigated and continues to investigate Jamo Performance Exhaust LLC ("Jamo Performance") for compliance with the Clean Air Act ("CAA" or the "Act"), 42 U.S.C. §§ 7401-7671q, and its implementing regulations. As summarized in this Notice of Violation ("NOV"), the EPA has determined that Jamo Performance manufactured and sold exhaust system kits or components (collectively the "Components") for motor vehicles that bypass, defeat, or render inoperative elements of design that were installed by the original equipment manufacturer in order to comply with the CAA emission standards, and knew or should have known that these Components were for such use or put to such use. Therefore, Jamo Performance has violated section 203(a)(3)(B) of the Act, 42 U.S.C. § 7522(a)(3)(B).

## Law Governing Alleged Violations

This NOV arises under Part A of Title II of the Act, 42 U.S.C. §§ 7521-7554, and the regulations promulgated thereunder. These laws were enacted to reduce air pollution from mobile sources of air pollution. In creating the Act, Congress found, in part, that "the increasing use of motor vehicles . . . has resulted in mounting dangers to the public health and welfare." Congress' purpose in creating the Act, in part, was "to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare and the productive capacity of its population," and "to initiate and accelerate a national research and development program to achieve the prevention and control of air pollution."2

The EPA's allegations here concern the Components for motor vehicles and engines subject to emission standards.3 The Act requires the EPA to prescribe and revise, by regulation, standards applicable to the emission of any air pollutant from new motor vehicles or engines that cause or contribute to air

1 CAA § 101(a)(2), 42 U.S.C. § 7401(a)(2).

<sup>2</sup> CAA § 101(b)(1)-(2), 42 U.S.C. § 7401(b)(1)-(2).

<sup>&</sup>lt;sup>3</sup> See generally 40 C.F.R. Part 86, Subpart A (setting emission standards for these categories).

pollution, which may reasonably be anticipated to endanger public health or welfare.<sup>4</sup> As required by the Act, the emission standards "reflect the greatest degree of emission reduction achievable through the application of [available] technology." Motor vehicles and engines are subject to specific emission standards for each pollutant, based on a vehicle's or engine's class and model year.<sup>6</sup>

Vehicle and engine manufacturers employ many devices and elements of design to meet emission standards. *Element of design* means "any control system (i.e., computer software, electronic control system, emission control system, computer logic), and/or control system calibrations, and/or the results of systems interaction, and/or hardware items on a motor vehicle or motor vehicle engine." For example, manufacturers employ retarded fuel injection timing as a primary emission control device for emissions of oxides of nitrogen ("NOx"). Manufacturers also employ certain hardware devices such as emission control systems to manage and treat exhaust to reduce levels of regulated pollutants from being created or emitted into the ambient air. For light-duty diesel trucks, such devices include catalytic converters and diesel particulate filters. The catalytic converter is a primary emission control component that is used to reduce toxic byproducts of burning fuel (*e.g.*, nitrogen oxides, carbon monoxide, and hydrocarbons) to less hazardous byproducts such as carbon dioxide, water vapor, and nitrogen gas. Diesel particulate is both a likely human carcinogen and a leading source of fine particulate matter in the air. The diesel particulate filters reduce the emissions of diesel particulate into the atmosphere by more than 85%.

To ensure that every new motor vehicle or engine legally sold, offered for sale, imported, delivered for introduction into commerce, or introduced into commerce in the United States (collectively, "introduced into commerce") satisfies applicable emission standards, the EPA implements a certification program. Under this program, the EPA issues certificates of conformity ("COCs"), thereby qualifying motor vehicles and engines for introduction into commerce. To obtain a COC, an original equipment manufacturer ("OEM") must submit a COC application to the EPA for each engine family and each model year in which it intends to manufacture or import motor vehicles or engines for introduction into commerce. The COC application must include, among other things, identification of the covered engine family, a description of the motor vehicle or engine and its emission control systems, all auxiliary emission control devices ("AECDs") and the engine parameters they sense, as well as test results from a test vehicle or engine showing that it satisfies the applicable emission standards. 10

The Act makes it a violation "for any person to remove or render inoperative any device or element of design installed [by OEM] on or in a motor vehicle or motor vehicle engine in compliance with regulations under this subchapter prior to its sale and delivery to the ultimate purchaser, or for any

<sup>&</sup>lt;sup>4</sup> CAA § 202(a)(1) and (3)(B), 42 U.S.C. § 7521(a)(1) and (3)(B).

<sup>&</sup>lt;sup>5</sup> CAA § 202(a)(3)(A)(i), 42 U.S.C. § 7521(a)(3)(A)(i).

<sup>&</sup>lt;sup>6</sup> See, e.g., heavy-duty diesel engine emission standards at 40 C.F.R. §§ 86.004-11, 86.007-11, 86.009-11 and light-duty vehicle emission standards at 40 C.F.R. § 86.1811-04. See also 40 C.F.R. §§ 86.090-8 (1990 and later model year light-duty vehicles); 86.094-9 (1994 and later model year light-duty trucks); 86.001-9 (2001 and later model year light-duty trucks); 86.004-9 (2004 and later model year light-duty trucks); 86.091-10 (1991 and later model year Otto-cycle heavy-duty engines and vehicles); 86.008-10 (2008 and later model year Otto-cycle heavy-duty engines and vehicles).

<sup>&</sup>lt;sup>7</sup> 40 C.F.R. § 86.094-2.

<sup>8 40</sup> C.F.R. § 86.007-30.

<sup>&</sup>lt;sup>9</sup> An AECD is "any element of design which senses temperature, vehicle speed, engine RPM, transmission gear, manifold vacuum, or any other parameter for the purpose of activating, modulating, delaying, or deactivating the operation of any part of the emission control system." 40 C.F.R. § 86.082-2.

<sup>&</sup>lt;sup>10</sup> 40 C.F.R. §§ 86.004-21, 86.007-21, 86.094-21, 86.096-21; see also EPA, Advisory Circular Number 24-3: Implementation of Requirements Prohibiting Defeat Devices for On-Highway Heavy-Duty Engines (Jan. 19, 2001).

person knowingly to remove or render inoperative any such device or element of design after such sale and delivery to the ultimate purchaser." It is also a violation to cause any of the foregoing acts. 12

In addition, the Act makes it a violation "for any person to manufacture or sell, or offer to sell, or install, any part or component intended for use with, or as part of, any motor vehicle or motor vehicle engine, where a principal effect of the part or component is to bypass, defeat, or render inoperative any device or element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this subchapter, and where the person knows or should know that such part or component is being offered for sale or installed for such use or put to such use." <sup>13</sup> It is also a violation to cause any of the foregoing acts. <sup>14</sup>

## Alleged Violations

Based on evidence gathered through an inspection of Jamo Performance's facility in North Las Vegas, Nevada on February 17, 2016 as well as through Jamo Performance's response to the EPA's information request dated September 25, 2017, issued pursuant to section 208(a) of the CAA (the "Information Request"), the EPA has determined that Jamo Performance manufactured, offered for sale, and/or sold, from January 1, 2014 to September 25, 2017, Components that have a principal effect of altering or bypassing emission control systems or elements of design on light-duty diesel trucks.

Based on Jamo Performance's responses to the Information Request, EPA has determined that Jamo Performance sold Components specified in Table 1 of this NOV from January 1, 2014 to September 25, 2017. These Components enabled the customers or end-users to bypass, defeat, or otherwise render inoperative motor vehicle Emission Related Parts.

A principal effect of these Components is to bypass, defeat, or render inoperative elements of design that control emissions of regulated air pollutants. In this case, the exhaust replacement pipes are designed to remove the catalytic converter and/or diesel particulate filter, both of which are an element of design that manufacturers employ to meet the CAA emission standards.

Jamo Performance knew or should have known that these Components were manufactured, offered for sale, or sold to bypass, defeat, or render inoperative elements of design that control emissions of regulated air pollutants. As mentioned above, Jamo Performance provided the list of Components in Table 1. Jamo Performance also provided instruction manuals for its Dodge Cummins, Ford Powerstroke, and Chrysler GM kits<sup>15</sup>, with the claim that they were for race use only, and stated that it is unlawful to remove a catalytic converter and diesel particulate filter. These statements on the instruction manuals show knowledge that the kits could facilitate removal of the catalytic converter and/or diesel particulate filter.

Additionally, websites of downstream dealers selling Jamo Performance products include the following statements regarding some of the listed Components:

<sup>11</sup> CAA § 203(a)(3)(A), 42 U.S.C. § 7522(a)(3)(A).

<sup>12</sup> CAA § 203(a), 42 U.S.C. § 7522(a).

<sup>13</sup> CAA § 203(a)(3)(B), 42 U.S.C. § 7522(a)(3)(B).

<sup>&</sup>lt;sup>14</sup> CAA § 203(a), 42 U.S.C. § 7522(a).

<sup>&</sup>lt;sup>15</sup> Instruction manuals provided include: D006 for the 2013-2017 Dodge 6.7L Cummins; D005FB for the 2010-2012 Dodge 6.7L Cummins; D005 for the 2010-2012 Dodge 6.7L Cummins; D004FB for 2007.5-2009 Dodge 6.7L Cummins;

- Dale's Super Store: Under the heading of "Performance, Dale's Super Store claims that "by deleting the CAT [catalytic converter] and DPF [diesel particulate filter] this exhaust system will provide performance gains of up to +15 HP & +26 lb-ft Torque." Under the Warning caveat, "These products are capable of disabling emissions equipment. If using DPF/EGR removed tuning, these high performance products are intended SOLELY for offroad use or closed-course racing use."
- Diesel Ops LLC: Under the Improvements heading, the marketing lists "better fuel mileage, lower exhaust gas temperatures, increased performance up to 13HP and 23 ft. lbs. of torque." Under the Notes heading, "This is a 'Race Only' product used solely for competition. Its use is limited to closed-course and open-course racing that is formally sanctioned by a recognized racing organization. Any other use including recreational off-road use could be in violation of local, state and federal laws. This system also requires an aftermarket electronic module to work properly with the vehicle."

Furthermore, Jamo Performance knew or should have known that these Components were offered for sale or installed on "motor vehicles" or "motor vehicle engines." The Components manufactured or sold by Jamo Performance were designed and marketed for use on specific Dodge Cummins, Ford Powerstroke, and Chrysler GM light duty diesel trucks commonly driven on public highways.

These motor vehicle manufacturers sought and obtained COCs from the EPA for these motor vehicles or engines. This certification unequivocally demonstrates that these vehicles and engines are "motor vehicles" and "motor vehicle engines" under the Act.

## Enforcement

The EPA may bring an enforcement action for these violations under its administrative authority or by referring this matter to the United States Department of Justice with a recommendation that a civil complaint be filed in federal district court. <sup>16</sup> Persons violating section 203(a)(3)(A) or (B) of the Act, 42 U.S.C. § 7522(a)(3)(A) or (B), are subject to an injunction under section 204 of the Act, 42 U.S.C. § 7523, and a civil penalty of up to \$3,750 for each violation that occurred prior to November 2, 2015, and up to \$4,527 for each violation that occurred on or after November 2, 2015. <sup>17</sup>

The EPA is available to discuss this matter with you in further detail, upon your request. Within 14 days of receipt of this NOV, please contact Janice Chan, Enforcement Officer, at 415-972-3308 or

<sup>16</sup> CAA §§ 204, 205, 42 U.S.C. §§ 7523, 7524.

<sup>&</sup>lt;sup>17</sup> CAA § 205(a), 42 U.S.C. § 7524(a); 40 C.F.R. § 19.4. This civil penalty level has been adjusted over time as required by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. § 2461 note; Pub. L. 101-410), as amended by the Debt Collection Improvement Act of 1996, and most recently, by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (28 U.S.C. § 2461 note; Pub. L.114-74, Section 701). EPA will next adjust this \$4,527 value for inflation by January 15, 2018.

chan.janice@epa.gov, or have your attorney contact David Kim, Assistant Regional Counsel, at 415-972-3882 or Kim.David@epa.gov.

Sincerely.

Kathleen H. Johnson, Director Enforcement Division

Table 1: Components Manufactured and Sold by Jamo Performance

UPC Code	JAMO SKU	DESCRIPTION	Components sold 2014-2017
647166235022	C002DB	2001-2007 GM 4" Race Exhaust with Muffler	8
647166235039	C002DB- MD	2001-2007 GM 4" Race Exhaust No Muffler	9
647166235084	C003DB	2007.5-2010 GM 4" Race Exhaust with Muffler	89
647166235091	C003DB- MD	2007.5-2010 GM 4" Race Exhaust No Muffler	58
647166235107	C004DB	2011-2015 GM 4" Race Exhaust with Muffler (V-Band Flange)	436
647166235114	C004DB- MD	2011-2015 GM 4" Race Exhaust No Muffler (V-Band Flange)	208
647166235121	C004FB	2011-2015 GM 4" DPF-Back Exhaust	11
647166236029	C005DB	2015.5+ GM 4" Race Exhaust with Muffler (3 bolt Flange)	91
647166236036	C005DB- MD	2015.5+ GM 4" Race Exhaust No Muffler (3 bolt Flange)	13
647166235459	C502DB	2001-2007 GM 5" Race Exhaust with Muffler	5
647166235466	C502DB- MD	2001-2007 GM 5" Race Exhaust No Muffler	10
647166235510	C503DB	2007.5-2010 GM 5" Race Exhaust with Muffler	32
647166235527	C503DB- MD	2007.5-2010 GM 5" Race Exhaust No Muffler	45
647166235541	C504DB	2011-2015 GM 5" Race Exhaust with Muffler (V-band Style)	100
647166235558	C504DB- MD	2011-2015 GM 5" Race Exhaust No Muffler (V-band flange)	154
647166235565	C504FB	2011-2015 GM 5" DPF Back Exhaust	3
647166235572	C505DB	2015.5+ GM 5" Race Exhaust with Muffler (3 bolt flange)	43
647166235589	C505DB- MD	2015.5+ GM 5" Race Exhaust No Muffler Kit (3 bolt flange)	91
647166235596	C505FB	2015.5+ FM 5" DPF Back Exhaust	5
647166235961	CDP02	2004-2010 3" GM Downpipe	5
647166235152	D002TB	2003-2004 Dodge 4" Race Exhaust with Muffler	7
647166235169	D002TB- MD	2003-2004 Dodge 4" Race Exhaust No Muffler	3
647166235176	D003TB	2004.5-2007 Dodge 4" Race Exhaust with Muffler	28
647166235183	D003TB- MD	2004.5-2007 Dodge 4" Race Exhaust No Muffler	17
647166235213	D004TB	2007.5-2009 Dodge 4" Race Exhaust with Muffler	137
647166235220	D004TB- MD	2007.5-2009 Dodge 4" Race Exhaust No Muffler	57

647166235244	D005TB	2010-2012 Dodge 4" Race Exhaust with Muffler	222
647166235251	D005TB- MD	2010-2012 Dodge 4" Race Exhaust No Muffler	106
647166235275	D006TB	2013-2017 Dodge 4" Race Exhaust with Muffler	103
647166235282	D006TB- MD	2013-2017 Dodge 4" Race Exhaust No Muffler	45
647166235626	D502TB	2003-2004 Dodge 5" Race Exhaust with Muffler	2
647166235633	D502TB- MD	2003-2004 Dodge 5" Race Exhaust No Muffler	3
647166235664	D503CB	2004.5-2007 Dodge 5" Cat-Back Exhaust with Muffler	5
647166235671	D503CB- MD	2004.5-2007 Dodge 5" Cat-Back Exhaust No Muffler	2
647166235640	D503TB	2004.5-2007 Dodge 5" Race Exhaust with Muffler	31
647166235657	D503TB- MD	2004.5-2007 Dodge 5" Race Exhaust No Muffler	6
647166235701	D504FB	2007.5-2009 Dodge 5" DPF-Back Exhaust	3
647166235688	D504TB	2007.5-2009 Dodge 5" Race Exhaust with Muffler	55
647166235695	D504TB- MD	2007.5-2009 Dodge 5" Race Exhaust No Muffler	47
647166235732	D505FB	2010-2012 Dodge 5" DPF-Back Exhaust	6
647166235718	D505TB	2010-2012 Dodge 5" Race Exhaust with Muffler	115
647166235725	D505TB- MD	2010-2012 Dodge 5" Race Exhaust No Muffler	110
647166235763	D506FB	2013-2017 Dodge 5" DPF-back Exhaust	1
647166235749	D506TB	2013-2017 Dodge 5" Race Exhaust with Muffler	170
647166235756	D506TB- MD	2013-2017 Dodge 5" Race Exhaust No Muffler	151
647166235770	D516FB	2013-2014 Dodge 5" (MC-CC/SB/LB ONLY) DPF-Back Exhaust	1
647166235787	D526FB	2013-2014 Dodge 5" (CC/SB ONLY) DPF-Back Exhaust	1
647166235350	F003CB	2003.5-2007 Ford 4" Cat-Back Exhaust Muffler	4
647166235367	F003CB- MD	2003.5-2007 Ford 4" Cat-Back Exhaust No Muffler	8
647166235336	F003TB	2003.5-2007 Ford 4" Race Exhaust with Muffler	57
647166235343	F003TB- MD	2003.5-2007 Ford 4" Race Exhaust No Muffler	58
647166235374	F004DB	2008-2010 Ford 4" Race Exhaust with Muffler	172
647166235381	F004DB- MD	2008-2010 Ford 4" Race Exhaust No Muffler	138
647166235398	F004FB	2008-2010 Ford 4" DPF-Back Exhaust	28
647166235404	F005DB	2011-2017 Ford 4" Race Exhaust with Muffler	317
647166235411	F005DB- MD	2011-2017 Ford 4" Race Exhaust No Muffler	185
647166235428	F005FB	2011-2017 Ford 4" DPF-Back Exhaust	5
647166235435	F006CB	2011-2014 Ford F-150 4" Cat-Back Exhaust with Muffler	23
647166235442	F006CB- MD	2011-2014 Ford F-150 4" Cat-Back Exhaust No Muffler	3
647166235817	F503TB	2003.5-2007 Ford 5" Race Exhaust with Muffler	17

647166235824	F503TB- MD	2003.5-2007 Ford 5" Race Exhaust No Muffler	37
647166235831	F504DB	2008-2010 Ford 5" Race Exhaust with Muffler	49
647166235848	F504DB- MD	2008-2010 Ford 5" Race Exhaust No Muffler	66
647166235855	F504FB	2009-2010 Ford 5" DPF-Back Exhaust	1
647166235862	F505DB	2011-2017 Ford 5" Race Exhaust with Muffler	123
647166235879	F505DB- MD	2011-2017 Ford 5" Race Exhaust No Muffler	211
647166235886	F505FB	2011-2017 Ford 5" DPF-Back Exhaust	1
Total			4,352